

JAPONICA PARTNERS

FACT SHEET – 2019

1. **Founded:** 1988

2. **Raison d'être:** Building a track record creating transformational investments with low risk high return. Japonica's culture is to see what others do not see and to use "education-education-education" to accomplish what others believe is impossible.

3. **Building Blocks of Transformational Investments:** Japonica's transformational investments have three building blocks: discover systemic misconceptions, discover a massive undervaluation, and create extraordinary value.

4. **Transformational Investment Efforts:**

	Role	Tactics
Greek Government Bonds (GGBs)	One of the largest private owners of GGBs, improved Greek government public financial management	\$3.8 billion (€2.9 billion) unmodified Dutch auction tender offer for select GGBs
Sunbeam-Oster Company (SOC)	Majority stockholder and key C-level executive positions (chairman, CEO, and CFO)	\$1.5 billion turnaround of Fortune 300 SOC
CNW Corp.	Largest stockholder in one of the largest railroad holding companies in North America	\$1.6 billion white knight tender offer and full board proxy for CNW
Allegheny International (AI)	Largest creditor and sole proponent of successful joint plan of reorganization	\$690 million bankruptcy reorganization of Fortune 200 AI
Borden Inc.	Lead sponsor and global institutional investor organizer	\$2.4 billion restructuring proposal of Fortune 100 Borden (withdrawn)
TOTAL		\$10.0 billion

5. **Performance Track Record:**

	Return Multiple	IRR	Downside
Greek Government Bonds	8.9x	35%	2.8x
Sunbeam-Oster Company	5.9x	104%	2.0x
CNW Corp.	2.2x	57%	1.4x
Allegheny International	1.3x	181%	1.2x
Borden Inc.	n/a	n/a	n/a
AVERAGE	4.6x	94%	1.9x

6. **Superstructure Teams:** Japonica builds customized superstructure teams for each transformational investment and focuses on only one transformational investment at any one time. Superstructure teams span a comprehensive global landscape of the best and brightest in their niche.

7. **Social Responsibility:** Founded by the Charles & Agnes Kazarian Foundation to improve PFM and financial literacy. The Foundation is funded solely by affiliates of Japonica. Kazarian Foundation spending since founding plus year-end 2017 assets is over a quarter-billion US dollars.

Source Form 990-PF	30.11.2017	30.11.2016	30.11.2015
Assets	\$202,183,070	\$172,603,400	\$171,701,477
Revenues	\$38,011,149	\$1,422,137	\$494,152
Expenses	\$4,717,955	\$5,069,547	\$4,026,705

8. **Website:** www.japonica.com

Japonica is not a fund and does not provide investment advice.

Notes: Greek Government Bonds Performance Track Record Return Multiple is a multiple on capital invested at exit, and was 4.3x initial capital. Borden restructuring proposal was withdrawn without investment.